

Economic Mobility and Opportunity Strategy

Factsheet

April 2023

Overview

Mobility from poverty is decreasing in the U.S. Ninety percent of children born in 1940 earned more than their parents did. For children born in the 1980s, though, that figure has dropped to just 50%. Race, ethnicity, gender, and socioeconomic status continue to predict economic security due to systemic barriers to opportunity, such as a lack of access to high-mobility jobs and practices that complicate access to safety net benefits.

The Bill & Melinda Gates Foundation has a long history of combatting disease, poverty, and inequity across the world. In recent years, the foundation has expanded efforts to improve economic stability and mobility here in the United States, focused on the nearly 50 million people with annual incomes at or below \$29,160 for an individual or \$60,000 for a family of four.

Through our Economic Mobility and Opportunity Strategy, we are investing \$460 million over the next four years to help our economic system perform better for people experiencing poverty. We know that many organizations have been partnering with governments and businesses for years to improve economic outcomes in their communities, and we continue to learn from those organizations and our partners as we do this work. We aim to improve their short-term economic stability and long-term financial security by building on the work already being done by local and state governments and policymakers, small and medium-sized businesses, mobility-from-poverty advocates, researchers, and others.

Our hope is to galvanize the field around a shared vision and encourage more partnerships that help individuals and families achieve financial security, independence to shape their future, and feeling a sense of belonging in a community where they are valued—making our country's economy stronger and advancing the economic well-being of everyone.

Grantee Spotlight

The Beeck Center for Social Impact and Innovation

Creates a national, central hub of expertise on the state of safety net benefits in our country, and helps the field align on shared goals, processes, and practices.

Code for America

Deploys innovative and user-friendly benefits access technology, such as GetCTC.org and GetYourRefund.org, which have helped over 250,000 people navigate and file their taxes for free, securing more than \$880 million in tax benefits since 2020.

Opportunity@Work

Maintains an online skills-based talent matching platform, Stellarworx, that helps employers scale inclusive hiring, supports talent developers in providing their graduates access to more quality roles, and helps skilled workers without bachelor's degrees find higher-wage jobs that lead to greater upward mobility.

Results for America

Publishes the Economic Mobility Catalog, a comprehensive library of over 50 strategies and nearly 200 evidence-based, mobility policies and practices for local governments to deploy. Thanks to a robust dissemination effort, nearly half of local leaders are aware of this tool and more than 40 percent have used it.

We're doing this work across three pillars:

1. **Making Lives Better Now** by increasing access to the \$60 billion in safety net benefits that go unclaimed each year by people eligible to receive them, connecting skilled workers without traditional four-year degrees to employers in search of talent, and piloting new ideas through research and development to directly improve the daily life challenges of those facing the greatest barriers to economic mobility.
2. **Creating and Sharing User-friendly Tools and Insights** to help local governments, small and medium-sized businesses, and other organizations—whose systems and processes impact our focus population the most—make data-driven decisions to improve job quality, reduce poverty, and boost upward mobility in their communities. This work is helping individuals with low incomes achieve economic success, greater power and autonomy, and value in their communities.
3. **Bringing Together Partners Across Sectors** to strengthen coordination and unify a fragmented field around shared goals that will help increase access to funding and build momentum across the work happening in our other two focus areas (above).

FAQs

Q: Why is the Bill & Melinda Gates Foundation making these investments now?

We believe that all lives have equal value and that every person should have the opportunity to live a healthy, productive life. The overall decline in economic mobility in this country has dashed the hopes and aspirations of millions of people trying to secure long-term economic security and has made this an urgent priority within our U.S. strategy. We're coordinating with local and state governments and policymakers, small and medium-sized businesses, mobility-from-poverty advocates, researchers, and others to help our country's economic system perform better to meet the needs of those experiencing poverty and increase opportunities for economic mobility.

Q: Is this a whole new strategy?

No. We are building on what we learned from work that began in 2018. Starting in 2022, we are investing an additional \$460 million over four years in our Economic Mobility and Opportunity Strategy. It is a core foundation investment in the U.S., in addition to the work we do in education. In the years to come, the foundation will support dozens of organizations that are dedicated to building pathways out of poverty, especially for those facing racism and sexism.

Q: How does the foundation believe it can make a difference in this field?

Economic mobility is too big of a challenge for any one organization to solve, and many organizations have partnered with governments and businesses for years.

We want to do our part to work across sectors to improve economic mobility in this country.

There is a diverse field of experts dedicated to addressing pathways out of poverty, but there is not enough cross-sector coordination. That's why we're focused on where we believe the foundation can have that greatest impact: building partnerships with government agencies, businesses, non-profit organizations, funders, and others to leverage the learnings and impact already happening in the field, increase access to funding and information on best practices, and advance shared goals.

At the Bill & Melinda Gates Foundation, our mission for over 20 years has been to help close persistent inequities. We are committed to working with partners to help the U.S. economic system better meet the needs of those experiencing poverty and significantly increase their opportunities to achieve economic success.

Q: How does this strategy align with the foundation's long-term commitment to education in the U.S.?

We know that education is key to creating opportunities that allow people to climb the economic ladder, and we continue to work to increase quality and equitable outcomes in the U.S. education system, from early learning to kindergarten through college. Still, research shows that education alone is not always enough to ensure that everyone can achieve economic stability. That's why the foundation is working to help our U.S. economic system perform better to meet the needs of those experiencing poverty and to significantly increase their opportunities to achieve economic success.